

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2674 - SB 3615

March 1, 2010

SUMMARY OF BILL: Requires the court to consider all household expenses of the primary custodial parent when calculating a parent's monthly child support. Prohibits a parent's child support obligation being reduced due to the other parent arranging for free or reduced-cost child care and requires the estimated worth of the child care to be used in calculating the parent's monthly expenses.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$48,200/One-Time

Increase Federal Expenditures - \$93,600/One-Time

Assumptions:

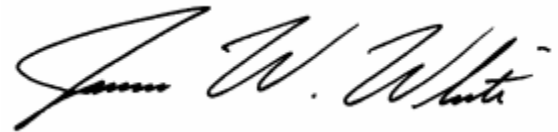
- According to the Department of Human Services (DHS), the child support guidelines will have to be modified to include the changes included within the provisions of the bill.
- The Department will reconvene the study committee to prepare the necessary statistical information and modify the Child Support State Operating Plan. Based on previous committee costs, it is estimate that travel costs for the committee will result in a one-time increase in expenditures of \$20,000.
- The Department estimates that contracting with a economist to prepare necessary statistical information will result in a one-time cost of \$10,000 based on previous contracts for similar services.
- Training for approximately 2,500 individuals including child support program staff, court personnel, and attorneys will result in an increase in one-time expenditures. Based on previous experiences, expenditures are estimated to increase by \$75,000 which includes materials (2,500 x \$20 = \$50,000) and statewide travel and training facilities (\$25,000).
- The Tennessee Child Support Enforcement System (TCSSES) will need modifications including changes to the records system, the child support Web site, the income shares worksheets, and the Web calculator. Based on previous modifications, it is estimated that the analysis, design, programming, and testing will take approximately 490 hours at a rate of \$75 per hour resulting in an increase in one-time expenditures of \$36,750 (490 hours x \$75 per hour).

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- The Child Support Program is funded with 66 percent federal matching funds. Of the \$141,750 in increased expenditures, \$48,195 will be state funds at a rate of 34 percent and \$93,555 will be federal funds at a match rate of 66 percent.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/kml